What is claimed is:

1.   A computerized trading system for trading financial instruments between traders at a plurality of trading floors, the system comprising:

a plurality of trading floors;

a centralized quote distribution system which determines which pairs of trading floors are credit bearing counter-parties which extend bilateral credit to one another, the centralized quote distribution system also sending dealable price quotation messages to the trading floors, each trading floor being sent dealable price quotation messages which have been prescreened for credit and represent bids and/or offers that originate from one or more credit bearing counter-parties of that trading floor;

at least some of the trading floors having at least one maker screen and at least one taker screen associated therewith:

(a) the maker screen permitting a trader to send maker price quotation messages to the centralized quote distribution system, the maker price quotation message indicating a bid price at which the trader is willing to sell financial instruments and/or an offer price at which the trader is willing to buy financial instruments; and

(b) the taker screen permitting a trader to view and accept dealable bids and/or offers indicated by the dealable price quotation messages received from the centralized quote distribution system.

2.   A computerized trading system according to claim 1, wherein the centralized quote distribution system determines which pairs of trading floors are credit bearing counter-parties as a function of unilateral credit information sent to it by the trading floors.

3.   A computerized trading system according to claim 2, wherein bilateral credit is determined without any trading floor being able to identify which of the other trading floors has extended credit to it.

28

4.   A computerized trading system according to claim 3, wherein each of the at least some of the trading floors have at least one floor profile screen which permits the trading floor to send unilateral credit messages to the centralized quote distribution system.

5.   A computerized trading system according to claim 1, wherein bilateral credit is determined without any trading floor being able to identify which of the other trading floors has extended credit to it.

6.   A computerized trading system according to claim 1, wherein the centralized quote distribution system is a distributed system of computers.

7.   A computerized trading system according to claim 6, wherein the centralized quote distribution system comprises a plurality of remotely located computers.

8.   A computerized trading system according to claim 1, wherein each of the at least some of the trading floors includes one or more computer terminals and wherein the maker screens and the taker screens are displayed on the computer terminals.

9.   A computerized trading system according to claim 8, wherein at least one of the computer terminals is capable of displaying both the maker screen and the taker screen.

10.   A computerized trading system according to claim 1, wherein the centralized quote distribution system also sends market price quotation messages to the trading floors indicating the best market bid and/or best market offer which has been made by any of the trading floors and wherein at least one of the taker screens also displays the best market bid and/or the best market offer indicated by the market price quotation messages.

11.   A computerized trading system according to claim 10, wherein all of the trader screen displays the best market bid and/or the best market offer indicated by the market price quotation messages.

12.   A computerized trading system according to claim 1, wherein the dealable price quotation messages sent to each respective trading floor indicate the best dealable bid and/or offer made by one or more credit bearing counter-parties of that trading floor.

13.   A computerized trading system according to claim 12, wherein the centralized quote distribution system also sends market price quotation messages to the trading floors

29

indicating the best market bid and/or best market offer which has been made by any of the trading floors and wherein at least one of the taker screens also display the best market bid and/or the best market offer indicated by the market price quotation messages.

14. A computerized trading system according to claim 13, wherein all of the taker screens also display the best market bid and/or offer indicated by the market price quotation messages.

15. A computerized trading system according to claim 13, wherein the at least one taker screen has a first area for displaying the best dealable bid and/or offer as indicated by the dealable price quotation messages and a second area for displaying the best market bid and /or best market offer as indicated by the market price quotation messages.

16. A computerized trading system according to claim 15, wherein the first area displays the best dealable bid and/or offer for a preset quantity of financial instruments.

17. A computerized trading system according to claim 16, wherein the first area displays the best dealable bids and/or offers for any quantity of financial instruments.

18. A computerized trading system according to claim 1, wherein the centralized quote distribution system sends messages to the trading floors informing a maker that his bid and/or offer is capable of being accepted by a third party.

19. A computerized trading system according to claim 1, wherein the trader is given the option of canceling his bid and/or offer after he is informed that it can be accepted.

20. A computerized trading system according to claim 1, wherein the centralized quote distribution system informs a maker that his bid and/or offer is as good as the best third party bid and/or offer available to a credit bearing counter-party, but is second in time to the third party's bid and/or offer.

21. A computerized trading system according to claim 1, wherein the centralized quote distribution system automatically cancels a bid and/or offer made by a maker when it is bettered by a bid and/or offer of another trader.

22. A computerized trading system according to claim 1, wherein the maker screen permits the maker to withdraw his bid and/or offer anytime before it is accepted.

23.   A computerized trading system according to claim 1, wherein the centralized quote distribution system automatically withdraws any bid and/or offer made in a maker price quotation message once a predetermined condition is met.

24.   A computerized trading system according to claim 23, wherein the predetermined condition is determined at the trading floor from which the maker price quotation message was sent.

25.   A computerized trading system according to claim 23, wherein the predetermined condition is the passage of a predetermined time period.

26.   A computerized trading system according to claim 25, wherein the predetermined time period is set at the trading floor from which the maker price quotation message was sent.

27.   A computerized trading system according to claim 1, wherein the centralized quote distribution system prevents traders associated with the same trading floor from trading with one another.

28.   A computerized trading system according to claim 1, wherein the centralized quote distribution system informs a trading floor when the amount of credit that trading floor is extending to another trading floor falls below a predetermined value.

29.   A computerized trading system according to claim 28, wherein the predetermined value is an absolute value.

30.   A computerized trading system according to claim 28, wherein the predetermined value is a percentage of the original amount of credit extended to that other trading floor on the trading day in question.

31.   A computerized trading system according to claim 28, wherein the notification is sent to an administrator for the trading floor.

32.   A computerized trading system according to claim 31, wherein the administrator has a floor profile screen at which he can adjust the credit limit being extended to any other trading floor.

33.   A computerized trading system according to claim 1, wherein each of the trading floors also has at least one floor profile screen which permits the trading floor to specify an amount of credit it will extend to the other trading floors and transmits credit update messages to the centralized quote distribution system as a function thereof.

34.   A computerized trading system according to claim 33, wherein the credit update messages are sent as a function of both the amount of credit extended to the other trading floors and the value of trades that have occurred between the respective trading floors.

35.   A computerized trading system according to claim 33, wherein the centralized quote distribution system determines whether or not each trading floor is extending credit to the other trading floors as a function of the credit update messages only.

36.   A computerized trading system according to claim 35, wherein the centralized quote distribution system maintains a preauthorization matrix which indicates which trading floors are presently extending a predetermined minimum amount of credit to each of other.

37.   A computerized trading system according to claim 36, wherein the centralized quote distribution system also maintains an ordered list of bids and offers send by the various trading floors.

38.   A computerized trading system according to claim 37, wherein the centralized quote distribution system generates the dealable price messages as a function of the preauthorization matrix and the ordered list.

39.   A computerized trading system according to claim 38, wherein the ordered list is ordered as a function of price and time received.

40.   A computerized trading system according to claim 1, wherein the trading floors include at least one trader profile screen which permits the trader to specify various defaults for his trading activities.

41.   A computerized trading system according to claim 40, wherein the maker price quotation message also includes a quantity of financial instruments being bid and/or offered and the defaults include automatically canceling a bid and/or offer made by the trader

32

when only a portion of the quantity of financial instruments being bid and/or offer has been accepted by another trader.

42.   A computerized trading system according to claim 40, wherein the defaults include automatically canceling any bid and/or offer made by a maker when that bid or offer is no longer the best bid and/or offer available to at least one trader on a trading floor that is a credit bearing counter-party to that maker.

43.   A computerized trading system according to claim 1, wherein each trading floor comprises:

at least one trader terminal; and

a market access node through which each trader terminal communicates with the centralized quote distribution system.

44.   A computerized trading system according to claim 43, wherein the maker screens and the taker screens are displayed on the trader terminals.

45.   A computerized trading system for trading financial instruments between traders at a plurality of trading floors, the system comprising:

a plurality of trading floors, each trading floor sending unilateral credit information to a centralized quote distribution system indicating whether that trading floor is extending unilateral credit to other trading floors;

at least some of the trading floors having at least one maker screen and at least one taker screen associated therewith:

(a) the maker screen permitting a trader to send maker price quotation messages to the centralized quote distribution system, the maker price quotation message indicating a bid price at which the trader is willing to sell financial instruments and/or an offer price at which the trader is willing to buy financial instruments; and

(b) the taker screen permitting a trader to view and accept dealable price quotation messages received from the centralized quote distribution system; and

the centralized quote distribution system determining which pairs of trading floors are credit bearing counter-parties which extend bilateral credit to one another as a function of the unilateral credit information, the centralized quote distribution system also sending dealable price quotation messages, prescreened for credit, to each trading floor indicating the best available bid and/or offer that originates from one or more credit bearing counter-parties of that trading floor.

46.   A method of trading financial instruments between traders at a plurality of trading floors, the method comprising:

sending maker price quotation messages from traders at the trading floors to a centralized quote distribution system, the maker price quotation messages indicating a bid price at which the trader is willing to sell financial instruments and/or an offer price at which the trader is willing to buy financial instruments;

determining, at the centralized quote distribution system, which pairs of trading floors are credit bearing counter-parties which extend bilateral credit to one another and sending dealable price quotation messages from the centralized quote distribution system to the trading floors as a function thereof, each trading floor being sent dealable price quotation messages indicating bids and/or offers that originate from one or more credit bearing counter-parties of that trading floor; and

accepting, at at least some of the trading floors, dealable price quotation messages received by that trading floor from the centralized quote distribution system.

47.   A computerized trading system for trading of financial instruments between traders at a plurality of trading floors, the system comprising:

a centralized quote distribution system which determines which pairs of trading floors have bilateral credit with each other and identifies such pairs of trading floors as credit bearing counter-parties, the centralized quote distribution system also sending information to the trading floors as a function thereof;

a plurality of trading floors, each of the trading floors being associated with at least one;

(a) maker screen at which a trader can send maker price quotation messages to the centralized quote distribution system, the price quotation message indicating a bid price at which the trader is willing to sell financial instruments and/or an offer price at which the trader is willing to buy financial instruments; and

(b) taker screen at which a trader can view and accept dealable price quotation messages indicating bids and/or offers that originate from one or more credit bearing counter-parties.

48.   A computerized trading system for trading of financial instruments between traders at a plurality of trading floors, the system comprising:

a centralized quote distribution system;

a plurality trading floors, at least a plurality of the trading floors including at least one;

(a) maker screen at which a trader can send maker price quotation messages to the centralized quote distribution system, the price quotation message indicating a bid price at which the trader is willing to sell financial instruments and/or an offer price at which the trader is willing to buy financial instruments; and

(b) taker screen at which a trader can view dealable price quotation messages received from the centralized quote distribution system and accept a dealable bid and/or offer displayed on the taker screen;

the centralized quote distribution system determining which pairs of trading floors have bilateral credit and sending information to the trading floors as a function thereof;

each of the trading floors displaying dealable price quotation messages on its taker trading screens which indicate which bids and/or offers it can accept as a function of whether or not the bid and/or offer originates from one or more trading floors with which it has bilateral credit as determined by the centralized quote distribution system.

49.   A computerized trading system for trading financial instruments between traders at a plurality of trading floors, the system comprising:

a plurality of trading floors;

at least some of the trading floors having at least one maker screen associated therewith, the maker screen permitting the trader to send bids and/or offers to the other trading floors via a centralized quote distribution system;

the centralized quote distribution system informing the trading floors when a bid and/or offer sent by one of its makers is the best bid and/or offer capable of being accepted by another trader on the trading system; and

the taker screen informing the maker of the bid and/or offer that his bid and/or offer is capable of being accepted.

50.   A method for trading financial instruments between traders at a plurality of trading floors connected together by a computerized trading system, the method comprising:

determining which pairs of trading floors are credit bearing counter-parties which extend bilateral credit to one another without any trading floor knowing which of the other trading floors are currently extending credit to it;

sending maker price quotation messages to the computerized trading system from individual trading floors, each maker price quotation message indicating a bid and/or offer price at which a maker is willing to buy and/or sell financial instruments to other anonymous traders having bilateral credit with the trading floor with which the maker is associated;

displaying at each trading floor the best bid and/or offer that originates from one or more credit bearing counter-parties of that trading floor and permitting a trader to accept such best bid and/or offer, and that has been prescreened for credit.

51.   The method of claim 50, further including displaying at each trading floor the best bid and/of offer made by any maker irrespective of whether or not that maker is associated with a trading floor with which the trading floor in question has bilateral credit.

52.   A method for trading financial instruments between traders at a plurality of trading floors that are in electronic communication with a computerized trading system, said method comprising:

sending maker quotation messages to the computerized trading system from individual trading floors, each maker quotation message indicating a bid to buy and/or offer to sell a financial instrument to other traders;

automatically prescreening maker quotation messages to determine whether credit preferences are met for both the maker and a prospective recipient of said maker quotation message located on another trading floor, said prescreening being conducted without any trading floor being informed of the credit preferences of any other identified trading floor;

displaying said prescreened maker quotation message to said recipient in a manner which indicates whether or not the credit preferences of both the maker and the recipient were met when said prescreen was conducted; and

permitting said recipient to accept the bid and/or offer of said maker quotation message when said message is displayed in a manner indicating that the prescreen had determined that credit preferences of both maker and recipient were met.

53.   A method for trading financial instruments between traders at a plurality of trading floors that are in electronic communication with a computerized trading system, said method comprising:

sending maker quotation messages to the computerized trading system from individual trading floors, each maker quotation message indicating a bid to buy and/or offer to sell a financial instrument to other traders;

automatically prescreening maker quotation messages to determine whether credit preferences are met for both the maker and a prospective recipient of said maker quotation message located on another trading floor, said prescreening being conducted without any trading floor being informed of the credit preferences of any other identified trading floor;

displaying said prescreened maker quotation message to said recipient in a manner which indicates whether or not the credit preferences of both the maker and the recipient were met when said prescreen was conducted.

54.   A system for trading financial instruments between traders at a plurality of trading floors that are in electronic communication with each other, said system comprising a series of computers, input devices and display devices which cooperate to:

permit traders to send maker quotation messages to the computerized trading system from individual trading floors, each maker quotation message indicating a bid to buy and/or offer to sell a financial instrument to other traders;

automatically prescreen maker quotation messages to determine whether credit preferences are met for both the maker and a prospective recipient of said maker quotation message located at another trading floor, said prescreening being conducted without any trading floor being informed of the credit preferences of any other identified trading floor;

display said prescreened maker quotation message to said recipient in a manner which indicates whether or not the credit preferences of both the maker and the recipient were met when said prescreen was conducted; and

permit said recipient to accept the bid and/or offer of said maker quotation message, when said message is displayed in a manner indicating that the prescreen had determined that credit preferences of both maker and recipient were met.

55.   A system for trading financial instruments between traders at a plurality of trading floors that are in electronic communication with each other, said system comprising a series of computers, input devices and display devices which cooperate to:

permit traders to send maker quotation messages to the computerized trading system from individual trading floors, each maker quotation message indicating a bid to buy and/or offer to sell a financial instrument to other traders;

automatically prescreen maker quotation messages to determine whether credit preferences are met for both the maker and a prospective recipient of said maker quotation message located at another trading floor, said prescreening being conducted without any trading floor being informed of the credit preferences of any other identified trading floor;

display said prescreened maker quotation message to said recipient in a manner which indicates whether or not the credit preferences of both the maker and the recipient were met when said prescreen was conducted.